

The background features abstract, overlapping green geometric shapes in various shades of green, creating a modern and dynamic visual effect. The shapes are primarily located on the left and right sides of the slide, framing the central text.

Report to the City Council

SPU Customer Review Panel

July 14, 2014

The SPU Customer Review Panel

- ▶ Established per Council Resolution 31429.
- ▶ 9 Members; 5 appointed by Mayor, 4 appointed by Council, all confirmed by Council.
- ▶ Members represent a diverse cross section of SPU customers.
- ▶ First convened in April 2013.
- ▶ We've met 27 Times to deliberate on the development of the SPU Strategic Business Plan.

Our mission:

- ▶ Understand SPU's operations and rates.
 - ▶ Review the assumptions, policies and actions proposed by the Utility in the course of developing the Strategic Business Plan.
 - ▶ Understand the issues of concern to the Mayor & Council by working with their staff, who were at the table throughout the process.
 - ▶ Provide our comments to Mayor and Council on the Strategic Business Plan.
 - ▶ Assist in outreach.
-
- ▶ *We have 5 Key Points to Share with you today.*

1. The Strategic Business Plan process was deliberative and thorough.

- ▶ We met 27 times, 3 hours each meeting, learning about SPU and reviewing and commenting on the Plan assumptions, policies and action plans.
- ▶ SPU hired an efficiencies consultant to help identify best practices in the industry and identify potential efficiency actions. Their recommendations were shared with us.
- ▶ The Utility conducted a very extensive public outreach process.
- ▶ Employees throughout the department had input.
- ▶ The Panel Chair and Vice-Chair also attended a special meeting of the SPU advisory committees seeking their input.

2. The Panel strongly supports the Strategic Business Plan, and we encourage you to adopt it as transmitted by *Mayor Murray*.

The Plan:

- ▶ Addresses aging infrastructure
- ▶ Provides transparency and rate predictability
- ▶ Is an important accountability tool
- ▶ Will improve service quality and operational efficiency

3. We endorse the recommended rate path

- ▶ Reflects responsible investment necessary to maintain these critical systems.
- ▶ Annual rate increases substantially lower than the last decade.
- ▶ The Plan incorporates major effort to achieve efficiencies and keep rates down.

4. Our highest priority of the 4 focus areas is “Enhancing our services by improving employee skills.”

- ▶ People—your employees--make good service delivery possible.
- ▶ It is critical to invest in them and give them the tools they need to deliver high quality, efficient service.

5. Keeping rates affordable is a priority for the Panel.

- ▶ Yes, high quality, reliable service is of paramount importance.
- ▶ Regulatory requirements are driving a lot of the cost increases.
- ▶ Efficiency actions are critical to making the proposed rate path a reality.
- ▶ The low income rate assistance program expansion is important to keep rates affordable.
- ▶ The City has high utility tax rates, compared to other jurisdictions.
- ▶ Important to track implementation and continue to look for efficiencies, other ways to reduce bills while maintaining the systems and services.

In sum:

- ▶ This was a comprehensive, thoughtful process with extensive customer outreach.
- ▶ The Panel believes the Strategic Business Plan is a major step forward for SPU and its customers.
- ▶ We encourage your support for the Plan.

Thank you!